



February 02, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST APPROVAL TO DELEGATE AUTHORITY TO AMEND
AGREEMENT NO. H-705792 WITH GARTNER, INC., FOR CONSULTING SERVICES
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

This is a joint recommendation by the Director of Health Services and the Interim Director of Public Health for Board approval to delegate authority to the Director of Health Services to amend an existing Agreement with Gartner, Inc. for additional consulting services to support the planning and implementation of the Department of Health Services' Electronic Health Record System in the Department of Public Health.

IT IS RECOMMENDED THAT THE BOARD:

Delegate authority to the Director of Health Services (Director), or his designee, to amend Agreement H-705792 with Gartner, Inc. (Gartner), effective upon execution, to add a Statement of Work for consulting services to support the Department of Public Health (DPH) with the planning and acquisition of the Department of Health Services' (DHS) Electronic Health Record (EHR) system known as the Online Realtime Centralized Health Information Database (ORCHID) in DPH and increase the maximum Agreement sum by \$430,000 for the period ending May 31, 2017.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On September 29, 2015, the Board approved the Strategic Priority and Operational Framework for the Health Agency, which includes Goal 5 of Strategic Priority 1: Consumer Access to and Experience with Clinical Services that states “Successfully implement DHS’ Electronic Health Record (EHR) “ORCHID” at all DPH sites that deliver health care services suitable for ORCHID implementation.”

Approval of the recommendation will enable the Director to amend the current consulting services Agreement with Gartner to add a Statement of Work and increase the Agreement maximum amount to provide consulting services to DPH in support of the planning and acquisition of ORCHID throughout the relevant areas of DPH to achieve this Health Agency objective. Specifically, the recommended amendment will include consulting services to: 1) support planning for the initial implementation of the ORCHID system at all 16 Public Health Centers and offices; 2) assist DHS, DPH, County Counsel, and outside counsel in developing the detailed Statement of Work and with the contract negotiations with Cerner for the amendment to the Cerner agreement for ORCHID expansion to include DPH; 3) develop the overall project plan for DPH ORCHID implementation at the Public Health Centers and other related clinical sites; 4) support project sponsorship, financing, and governance; and 5) provide as needed knowledge transfer and capacity building. Throughout the engagement, Gartner will provide DPH with specialized consulting services including project risk assessments, reporting, and ongoing quality control and quality assurance services in order to monitor compliance with ORCHID project requirements and the agreement with Cerner for provision of ORCHID.

Under the current consulting Agreement, Gartner’s third-party oversight, quality assurance, and capacity building services in the ORCHID program, have been a key element in the project’s early and ongoing accomplishments for DHS. There has been consistency of key Gartner personnel with unique skill sets and experience which has ensured continuity during the term of the project, adding to the success of ORCHID implementation in DHS. Gartner’s services are needed to apply this successful methodology and approach to the implementation of ORCHID throughout the relevant sites in DPH.

Implementation of Strategic Plan Goals

The recommended action supports Goal 1, Operation Effectiveness/Fiscal Sustainability; and Goal 3, Integrated Services Delivery, of the County’s Strategic Plan.

FISCAL IMPACT/FINANCING

Funding for the recommended action is included in the DPH Fiscal Year (FY) 2015-16 Final Budget and will be requested in future fiscal years, as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board originally approved a sole source consulting services Agreement with Gartner for an initial term of May 14, 2013 through May 31, 2016 with a Maximum Contract Sum of \$3,077,344 for that period, with two one-year options to further extend the Agreement through May 31, 2018, and increase the maximum amount by \$837,262 for the first option year and by \$746,037 for the second option year. Pursuant to the Agreement, Gartner provides baseline and ongoing project risk assessment and reporting; ongoing quality control and quality assurance services to monitor compliance with the DHS ORCHID project and Cerner agreement requirements; periodic quality assurance reviews of project status, and key deliverables and outcomes; and capacity building and knowledge transfer services once ORCHID is fully implemented in DHS.

Gartner's third-party oversight and quality assurance services in the DHS ORCHID program have been a key element in the project's early and ongoing accomplishments. On May 19, 2015, the Board delegated authority to DHS to further amend the Gartner Agreement for additional consulting services associated with the remaining ORCHID Go-Live events at DHS. Since the proposed engagement for DPH will be approximately 18 months and the current Agreement term expires May 31, 2016, DHS will be exercising the first year extension option in concert with the proposed amendment. In the event additional Gartner consulting services are necessary during the implementation of ORCHID in DPH, the two departments will return to the Board for approval to further amend this Agreement.

The Chief Information Office (CIO) has reviewed this request to amend the Gartner Agreement and recommends approval. The CIO Analysis is attached (Attachment).

CONTRACTING PROCESS

The Board was notified on October 3, 2012 of DHS' intent to enter into sole source negotiations with Gartner for consulting services related to project oversight and quality assurance to support implementation of an EHR System for the Department. Gartner was selected for the proposed consulting services agreement based on a number of factors including the depth and breadth of its experience on the ORCHID project's procurement and contracting process.

The objective of the proposed amendment to the Gartner Agreement is to provide DPH with specialized expertise to ensure that ORCHID is successfully implemented throughout all relevant DPH programs and facilities. Gartner has extensive experience with and understanding of DHS clinical operations and ORCHID due to its participation in the ORCHID procurement, planning, and contract development processes with DHS. Gartner initially worked under a competitively bid Information Technology Support Services Master Agreement Work Order to help DHS, County Counsel, and outside counsel, Foley and Lardner, LLP, in the development of the Department's ORCHID strategy, governance structure, and rigorous and highly structured procurement process. Gartner continued to support DHS during the negotiation of the Cerner agreement and during the development and oversight of the Cerner agreement's Statement of Work, which has been integral to the ORCHID project's success.

Gartner also has intimate knowledge of DPH clinical operations and the technical environment. In 2014, Gartner assisted DPH in conducting an operational readiness assessment and an EHR alternatives analysis which included an evaluation of DHS' ORCHID EHR solution. This engagement also included development of an EHR implementation strategy and roadmap. The roadmap provided by Gartner will now be utilized to guide the DPH implementation of ORCHID at the Public Health Centers and other related clinical sites.

All of these factors uniquely position Gartner to support DPH as it embarks on the implementation of the ORCHID system. DHS and DPH have determined that it would not be feasible to conduct a Request for Proposals (RFP) process for consulting services, as another firm would not bring the same experience to this effort and the aggressive timeframe for ORCHID implementation necessitates service continuity.

The recommended amendment will increase services under the current Agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

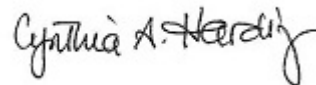
Approval of the recommendations will allow DHS to assist DPH in the implementation of a centralized, standardized EHR system that will ensure coordination within the newly created Health Agency and ensure that patients who seek services at any location within DHS or DPH will receive consistent care supported by the same EHR.

Respectfully submitted,



Mitchell H. Katz, M.D.

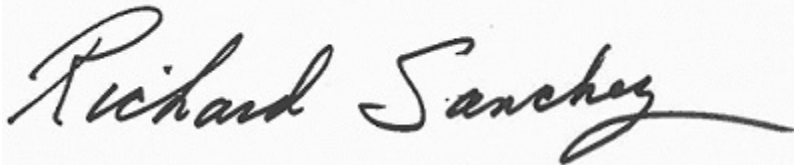
Director



Cynthia A. Harding, M.P.H.

Interim Director

Reviewed by:



RICHARD SANCHEZ

Chief Information Officer

MHK:kh:ch

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

ATTACHMENT I

Office of the CIO
CIO Analysis

NUMBER:

CA 16-03

DATE:

1/6/2016

SUBJECT:

**REQUEST APPROVAL TO DELEGATE AUTHORITY TO AMEND
AGREEMENT NO. H-705792 WITH GARTNER, INC., FOR CONSULTING SERVICES**

RECOMMENDATION:

☒ Approve

☐ Approve with Modification

☐ Disapprove

CONTRACT TYPE:

☐ New Contract

☒ Sole Source

☒ Amendment to Contract #: H-705792

☐ Other: Describe contract type.

CONTRACT COMPONENTS:

☐ Software

☐ Hardware

☐ Telecommunications

☒ Professional Services

SUMMARY:

Department Executive Sponsor: Mitchell H. Katz, M.D., Director, Department of Health Services and Cynthia A. Harding, M.P.H., Interim Director, Department of Public Health

Description: This is a joint Department of Health Services (DHS)/Department of Public Health (DPH) request to give the Director of DHS delegated authority to amend DHS' existing Agreement with Gartner Inc. (Gartner) to add a Statement of Work and increase the Agreement amount to provide consulting services to DPH in the planning and acquisition of the DHS ORCHID system where applicable.

Contract Amount: \$430,000

Funding Source: DPH Fiscal Year (FY) 2015-16
Final Budget

☐ Legislative or Regulatory Mandate

☐ Subvened/Grant Funded: Enter %

**Strategic and
Business Analysis**

PROJECT GOALS AND OBJECTIVES:

This Amendment to the Agreement with Gartner will provide DPH with the expertise needed to identify, plan, acquire, and deploy the relevant components of DHS' Electronic Health Record (EHR) system.

BUSINESS DRIVERS:

DPH has been in need of replacing its current health record system. With the new Health Agency, DPH is now better positioned to acquire and deploy various components of DHS' recently acquired EHR (ORCHID) system, where those components will function in a Public Health environment. Gartner, having worked with DPH in the past to conduct an operational readiness assessment, which included a review of potential EHR replacement strategies, is uniquely qualified to assist DPH with this effort.

PROJECT ORGANIZATION:

Both the Director of DHS and the Interim Director of DPH are fully committed to move forward with this project.

PERFORMANCE METRICS:

The success of this project will be demonstrated by the development of strategic and tactical plans by Gartner, working closely with representatives of both DHS and DPH, to identify key components of DHS' EHR ORCHID (a Cerner product) that are suitable for deployment among DPH's 16 Public Health Centers and offices. Once those relevant components are identified, Gartner will assist DHS, County Counsel, and outside counsel with the development of a detailed Statement of Work and, thereafter, with contract negotiations with Cerner to acquire and ultimately deploy and implement those relevant components at DPH.


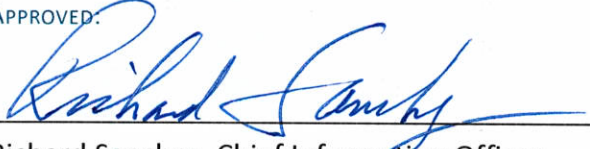
STRATEGIC AND BUSINESS ALIGNMENT:

This action is consistent with the Board's goals and objectives giving rise to the County Health Agency and supports Goals 1, Operation Effectiveness/Fiscal Sustainability and Goal 3, Integrated Service Delivery of the County's Strategic Plan.

PROJECT APPROACH:

The overall approach to DPH migrating from its current outdated health record computer system to a state-of-the-art EHR system is to capitalize, where feasible, on what DHS has already acquired and implemented with its Cerner EHR ORCHID system. DHS' ORCHID system has been identified as a product that, with some customization, can operate successfully in a Public Health clinical environment. Gartner, having guided DHS through its implementation of the Cerner ORCHID system, is uniquely qualified to now assist DPH with this effort. Gartner is also very familiar with DPH's clinical and technical environment as a result of an operational readiness assessment and EHR alternatives analysis they conducted for DPH in 2014.

	<p>ALTERNATIVES ANALYZED:</p> <p>DPH considered three alternatives: Build from scratch; buy an off-the-shelf product that could be customized to suit their needs; or attempt to capitalize on what DHS had already acquired (Cerner's EHR ORCHID system) to see if it would be suitable, with some customization, for their needs. DPH chose the third alternative, which with Gartner's expertise and guidance, was deemed to be the most cost-effective and logical solution.</p>				
Technical Analysis	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>Replacing DPH's current health record system with components of DHS' ORCHID system has been determined to be the most cost-effective, expedient, and strategically logical for DPH to move forward. Engaging Gartner to assist DPH with that effort will bring substantial expertise and familiarity with both the ORCHID system and with DPH's technical environment, ensuring greater probability of a successful identification, acquisition, and deployment of the relevant components of ORCHID for DPH. The EHR ORCHID is currently being deployed across the entire DHS enterprise, replacing its outdated and disparately versioned QuadraMed health record system. To the extent that existing components of ORCHID can be modified to function as needed in a Public Health clinical environment is a very logical strategy, potentially avoiding substantial costs and time that would otherwise take attempting to identify, procure, and customize a different product.</p>				
Financial Analysis	<p>BUDGET:</p> <p>Contract costs</p> <p>One-time costs:</p> <table> <tr> <td>Services</td><td>\$ 430,000</td></tr> <tr> <td>New Maximum Contract Sum:</td><td>\$5,844,606</td></tr> </table> <p>Funding for this Amendment has been identified and is contained within DPH's FY 2015-16 Final Budget.</p>	Services	\$ 430,000	New Maximum Contract Sum:	\$5,844,606
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New Maximum Contract Sum:	\$5,844,606				
Risk Analysis	<p>RISK MITIGATION:</p> <ol style="list-style-type: none"> 1. Engaging Gartner to assist DPH with this effort presents virtually no risks, as Gartner is extremely well-qualified to perform the required tasks. Gartner brings substantial expertise and familiarity of both the ORCHID system and DPH's technical environment to this project as a result of current and previous engagements with DHS and DPH. 2. This project presents no security and privacy concerns as Gartner is a trusted partner and Business Associate of the County. All necessary safeguards will be employed to ensure compliance with all privacy, confidentiality and security rules, regulations, and Board policies. 				

	The Chief Information Security Officer (CISO) reviewed the Amendment and did not identify any IT security or privacy related issues.
CIO Approval	<p>PREPARED BY:</p> <p> _____ Earl Bradley, Sr. Associate CIO</p> <p><u>1-20-16</u> _____ Date</p> <p>APPROVED:</p> <p> _____ Richard Sanchez, Chief Information Officer</p> <p><u>1-20-16</u> _____ Date</p>

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at <http://ciointranet.lacounty.gov/>